

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1923 - HB 1952

March 14, 2018

SUMMARY OF BILL: Authorizes a local governing body to exclude the value of properties subject to tax increment financing and properties located in economic impact plan areas from appearing on the tax roll for the purposes of calculating the certified tax rate.

ESTIMATED FISCAL IMPACT:

Local Expenditures – Cost Avoidance - \$500/Per Instance

Assumptions:

- Under current law, pursuant to Tenn. Code Ann. § 67-5-1701(a), a governing body is required to use the taxable value appearing on the roll, excluding taxable value of properties appearing for the first time, to calculate the certified tax rate.
- Pursuant to Tenn. Code Ann. § 67-5-1702, a local governing body is authorized to adopt a resolution or ordinance levying a tax rate in excess of the certified tax rate after it holds a public hearing.
- Excluding the value of certain properties from the tax roll may lead to cost avoidances associated with public hearings required to exceed the certified tax rate. The local cost avoidance of such requirements is reasonably estimated to exceed \$500 per instance.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

/amj

SB 1923 - HB 1952